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TAGS: EWWT EAIR ELTN ECON PREL PINR SI
SUBJECT: SLOVENIA: SECRETARY MINETA'S BILATERAL MEETING
WITH TRANSPORT MINISTER PAVLIHA

Sensitive but Unclassified. Please protect accordingly.

11. (SBU) SUMMARY: On 25 May, U.S. Secretary of Transportation Norman Mineta and his visiting delegation called on his Slovenian counterpart, Marko Pavliha, to discuss the bilateral transportation agenda prior to the start of the European Conference of Ministers of Transport (ECMT) meeting held in Ljubljana on 26-27 May. Secretary Mineta congratulated Pavliha on Slovenia's recent EU accession; provided the Minister with an assessment of the current U.S.-EU civil aviation talks; and offered technical assistance on projects related to the construction or upgrade of the two EU transportation corridors crisscrossing the country (Fifth and Tenth Corridors). Pavliha expressed an interest in developing the right legal and business framework to increase freight rail usage. A self-described "friend of North America" (he has family members residing in New Jersey, and is a graduate of McGill University in Montreal), Pavliha shared the Secretary's views on transportation security and the

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need to raise road safety awareness. He was also hopeful that a fair and satisfactory U.S.-EU CivAir agreement could be reached soon. END SUMMARY.

12. (U) On 25 May, Secretary Mineta accompanied by Ambassador Young, DOT staff members John Flaherty, Karan Bhatia, and Emil Frankel, Econoff, and Econ Specialist called on Minister of Transport Pavliha. Bojan Babic, State Secretary for Aviation, Boris Zivec, State Secretary for Transport Policy and International Relations, Matjaz Vrcko, Chief of Staff, also participated in the meeting.

# BILATERAL RELATIONS

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13. (SBU) Secretary Mineta congratulated Pavliha on Slovenia's recent EU accession and observed that its hosting of the European Ministers of Transportation Conference was a "tribute and recognition" of Slovenia's role in international affairs. Although the U.S. and Slovenia do not have an Open Skies Agreement, Secretary Mineta expressed hope that a general civil

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aviation agreement between the U.S. and the EU would be reached soon (see paragraph 4). Aware of Slovenia's transportation projects along the Fifth and Tenth Corridors, Mineta informed Pavliha of DOT's willingness and ability to provide civil aviation, road construction, and overall infrastructure technical assistance, should it be requested. Mineta noted that the bilateral relationship remains strong and has been enhanced by Slovenia's entry into the EU.

### U.S.-EU CIVIL AVIATION NEGOTIATIONS

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14. (SBU) Mineta informed Pavliha about his recent talks on the general air services agreement with Commissioner Loyola de Palacio. Hopeful that an agreement between the two sides may be reached by the end of June, Mineta told Pavliha that "we are close to an agreement; just working on some of the specifics." Having served in his new position for one month, Pavliha's civil aviation knowledge is limited. He indicated that Slovenia has adopted all of the EU transportation directives and has subscribed to its agreements. He also explained, unequivocally, that Slovenia would like to play an active role in preparing new civil aviation agreements. "We are interested in cooperating, and in finding a common ground to enhance and to improve civil aviation services throughout

Europe, " Pavliha commented. Bojan Babic, State Secretary for Civil Aviation and a 2003 civil aviation

conference participant, observed that a national civil aviation program will be adopted in June as part of the new National Transportation Policy.

## MARITIME, RAIL TRANSPORT

(SBU) Secretary Mineta expressed admiration for Europe's comprehensive short-sea shipping networks and outlined his efforts to encourage the same in the U.S. to ease road congestion. In response, Pavliha noted

that Slovenia faces land congestion problems because of the overwhelming use of highways for cargo. Pavliha praised the success of U.S. policy encouraging the use of rail for cargo -- an area where Europe has much work to do as 70 percent of cargo is transported via roads. As such, he was interested in learning of incentives or mechanisms designed to encourage rail usage instead of highways for cargo transport. The delegation responded that the U.S. has worked diligently on developing comprehensive logistics hubs (port-rail-truck). is an area, however, where the private sector has been the catalyst in developing sustainable and effective strategies, and as such an area where the GoS could provide incentives for private industry to do the same.

# ROAD SAFETY

(U) Pavliha agreed with Mineta's statement that the international community must coordinate and increase its efforts to reduce the number of road traffic fatalities. Pavliha explained that several years ago Slovenia instituted a road safety program similar to the American National Highway Traffic program. Since then, annual road fatalities in Slovenia have been reduced from 300 to 150 victims per one million people. The use of alcohol, excessive speed, and inexperienced drivers were identified as the primary causes for traffic road fatalities in Slovenia. Convinced that education is the best weapon to decrease road related accidents and deaths, Pavliha was interested in developing a program similar to the four E's Program described by Secretary Mineta (education of the driver, engineering of the roads, effective automobiles, and enforcement of the laws) "I am a strong believer in education; reactive enforcement is less effective, indicated Pavliha.

### PRIVATIZATION

(SBU) Addressing Mineta's inquiry on possible privatization schemes with respect to the seaport (Port of Koper) as well as the Ljubljana International Airport (Brnik) and the regional airport at Maribor, Pavliha stated the GoS has not yet made a decision on privatization. He added, however, that outright privatization was unlikely as the GoS will remain the ports' majority owner. There is an interest in exploring possibilities for public-private partnerships through concessions. "I think we could explore the possibility of concessions in the future, "Pavliha commented.

# EUROPEAN CONFERENCE OF MINISTERS OF TRANSPORT

- 18. (U) The ECMT was held in Ljubljana on 26 and 27 of May. Thirty-one ministers, along with senior representatives from all ECMT members, associate and observer countries attended the event. The conference focused on transport infrastructure planning; fee collecting systems; transportation safety; elimination of obstacles at border crossings; and distribution of transport permits or "multilateral quotas." The ministers revised the 2002 Bucharest Declaration, approving a number of recommendations on container safety regulations.
- (U) Secretary Mineta held bilateral meetings with Mexican Secretary of Communications Pedro Cerisola; Dutch Minister of Transport, Public Works, and Water Management Karla Peijs; Irish Minister of Transport Seamus Brennan; and Hungarian Minister of Transport Istvan Csillag.
- 110. (U) Secretary Mineta's party did not have an opportunity to clear this cable before departure.

YOUNG

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